

2012 Fountain County Property Tax Report with Comparison to 2011

Legislative Services Agency

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This report describes property tax changes in Fountain County between 2011 and 2012. In 2012 tax changes in each county were affected most by local factors, such as changes in assessed values, deductions, levies, credits, and tax rates. In 2012, for the first time in years, tax bill changes were not affected by statewide policy changes. The big 2008 tax reform was fully phased in by 2011. There were some statewide trends. The effects of the Great Recession lingered in many counties, depressing assessed value growth. Taxes in rural counties were affected by a large increase in farmland assessed values.

In Fountain County the average tax bill for all taxpayers increased by 7.1%. This tax bill rise was mainly the result of an 8.2% increase in the tax levy of all local government units and an 8.0% rise in certified net assessed value. Most of the assessment increase was due to a large rise in farmland assessments. Homestead, nonhomestead residential, and business assessments also increased. Tax rates increased in a majority of Fountain County tax districts, but tax cap credits as a percentage of the levy fell slightly, by 0.2%.

	Average Change in Tax Bill, All Property	Total Levy, All Units	Certified Net Assessed Value	Tax Cap Credits % of Levy
2012	7.1%	\$12,981,869	\$737,777,038	2.3%
Change		8.2%	8.0%	-0.2%
2011	-1.7%	\$12,000,786	\$683,420,413	2.5%

Homestead Property Taxes

Homestead property taxes increased 4.3% on average in Fountain County in 2012. Tax rates in a majority of Fountain County tax districts increased, though the county average tax rate rose only 0.2%. Fountain County's local homestead credit rate decreased in 2012, which added to the increase in homestead tax bills. The percentage of Fountain County homesteads at their tax caps dropped slightly, from 2.8% in 2011 to 2.6% in 2012.

Comparable Homestead Property Tax Changes in Fountain County

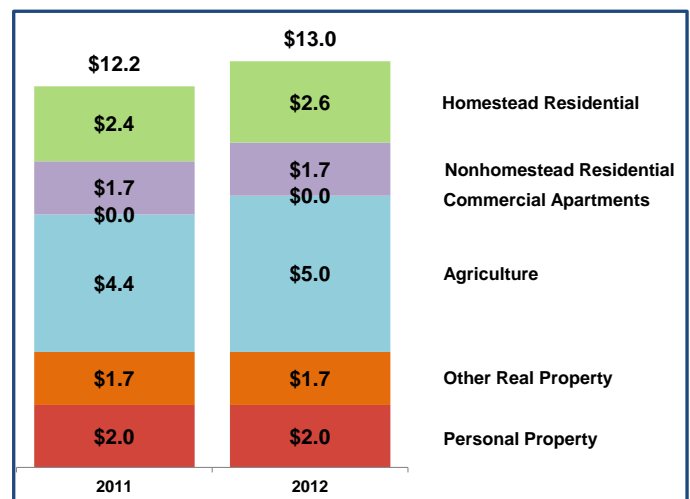
	2011 to 2012	
	Number of Homesteads	% Share of Total
Summary Change in Tax Bill		
Higher Tax Bill	3,124	61.9%
No Change	381	7.5%
Lower Tax Bill	1,545	30.6%
Average Change in Tax Bill	4.3%	
Detailed Change in Tax Bill		
20% or More	365	7.2%
10% to 19%	956	18.9%
1% to 9%	1,803	35.7%
0%	381	7.5%
-1% to -9%	1,392	27.6%
-10% to -19%	55	1.1%
-20% or More	98	1.9%
Total	5,050	100.0%

Note: Percentages may not total due to rounding.

Net Tax Bill Changes - All Property Types

The largest part of Fountain County's 2012 net property taxes were paid by agricultural property owners, business owners on their land and buildings (other real) and business equipment (personal), and homeowners. Net tax bills for all taxpayers increased 7.1% in Fountain County in 2012. Net taxes were lower for commercial apartments and nonhomestead residential property (mostly small rentals and second homes). Taxes were much higher for agriculture, and higher for homesteads, other real property, and personal property.

Comparison of Net Property Tax by Property Type (In Millions)



Tax Rates, Levies, and Assessed Values

Property tax rates increased in a majority of Fountain County tax districts. The average tax rate increased slightly, by 0.2%. The increases in the levy and in net assessed value were nearly the same.

Levies in Fountain County increased by 8.2%. The largest levy increase was in Southeast Fountain School Corporation, due to an increase in the debt service levy. The county unit experienced a small decrease in its general fund.

Fountain County's total net assessed value increased 6.3% in 2012. Agricultural net assessments rose 13.0%. The large increase in agricultural assessed value was due to the 16% increase in the base rate assessment of farmland, from \$1,290 to \$1,500 per acre for taxes in 2012. Combined nonagricultural net assessments rose 1.5%, led by an increase in business real and personal property assessments.

Property Type	Gross AV 2011	Gross AV 2012	Gross AV Change	Net AV 2011	Net AV 2012	Net AV Change
Homesteads	\$449,446,393	\$461,592,014	2.7%	\$154,596,974	\$156,832,048	1.4%
Other Residential	88,252,471	89,199,100	1.1%	87,802,553	88,488,102	0.8%
Ag Business/Land	304,889,286	344,433,656	13.0%	304,525,176	343,995,850	13.0%
Business Real/Personal	202,899,590	205,817,311	1.4%	177,012,580	180,364,221	1.9%
Total	\$1,045,487,740	\$1,101,042,081	5.3%	\$723,937,283	\$769,680,221	6.3%

Net AV equals Gross AV less deductions and exemptions • Tax rates are calculated on Net AV • Circuit breaker tax caps are calculated on Gross AV

Tax Cap (Circuit Breaker) Credits

Property taxes are capped at 1% of gross assessed value for homesteads, 2% for other residential property (including rental housing and second homes) and farmland, and 3% for business land, buildings, and equipment. Taxpayers receive credits when their tax bills exceed the caps. Credits are revenue lost to local governments.

Total tax cap credits in Fountain County were \$311,097, or 2.3% of the levy. This was less than the state average percentage of the levy of 9.2% and less than the median value of 3.2% among all counties. Tax rates are the main determinant of tax cap credits, and Fountain County's tax rates were lower than the state average and the state median.

More than three-fourths of the total tax cap credits were in the 2% nonhomestead/farmland category; most of the rest were in the 1% homestead category. The largest percentage losses were in the cities of Covington and Attica, where district tax rates were above \$2 per \$100 assessed value. The largest dollar losses were in the Covington and Attica School Corporations, the cities of Covington and Attica, and the county unit.

Tax Cap Credits by Category

Tax cap credits decreased slightly in Fountain County in 2012 by \$2,422, or 0.8%. The percentage of the levy lost to credits fell by 0.2%. There were no major changes in state policy to affect tax cap credits in 2012. Fountain County credits were nearly unchanged because there was little change in tax rates.

Tax Cap Category	2011	2012	Difference	% Change
1%	\$38,879	\$35,214	-\$3,665	-9.4%
2%	267,884	263,614	-4,269	-1.6%
3%	0	0	0	0.0%
Elderly	6,756	12,268	5,512	81.6%
Total	\$313,519	\$311,097	-\$2,422	-0.8%
% of Levy	2.5%	2.3%		-0.2%

Fountain County Levy Comparison by Taxing Unit

Taxing Unit	2008	2009	2010	2011	2012	% Change			
						2008 - 2009	2009 - 2010	2010 - 2011	2011 - 2012
<i>County Total</i>	17,714,164	11,480,746	12,319,649	12,000,786	12,981,869	-35.2%	7.3%	-2.6%	8.2%
State Unit	17,982	0	0	0	0	-100.0%			
Fountain County	4,049,669	3,134,571	3,187,098	3,326,208	3,294,174	-22.6%	1.7%	4.4%	-1.0%
Cain Township	12,668	12,034	12,770	12,914	13,811	-5.0%	6.1%	1.1%	6.9%
Davis Township	13,992	14,515	14,978	15,321	14,555	3.7%	3.2%	2.3%	-5.0%
Fulton Township	22,185	22,881	23,329	24,237	22,693	3.1%	2.0%	3.9%	-6.4%
Jackson Township	20,585	21,385	22,067	22,767	9,827	3.9%	3.2%	3.2%	-56.8%
Logan Township	35,935	37,271	37,082	38,908	40,086	3.7%	-0.5%	4.9%	3.0%
Millcreek Township	22,161	22,672	23,070	24,016	23,117	2.3%	1.8%	4.1%	-3.7%
Richland Township	25,023	25,910	26,103	27,634	28,593	3.5%	0.7%	5.9%	3.5%
Shawnee Township	19,971	21,583	21,831	22,573	23,246	8.1%	1.1%	3.4%	3.0%
Troy Township	45,435	46,289	47,676	48,524	48,484	1.9%	3.0%	1.8%	-0.1%
Van Buren Township	74,331	69,145	85,000	85,895	81,226	-7.0%	22.9%	1.1%	-5.4%
Wabash Township	17,977	18,922	19,492	19,880	20,478	5.3%	3.0%	2.0%	3.0%
Attica Civil City	775,417	778,049	791,499	826,554	850,116	0.3%	1.7%	4.4%	2.9%
Covington Civil City	569,687	557,481	567,729	545,792	609,359	-2.1%	1.8%	-3.9%	11.6%
Hillsboro Civil Town	50,500	52,434	53,338	55,758	57,496	3.8%	1.7%	4.5%	3.1%
Kingman Civil Town	55,540	58,037	58,709	58,524	60,961	4.5%	1.2%	-0.3%	4.2%
Mellott Civil Town	11,743	12,130	12,563	13,127	13,540	3.3%	3.6%	4.5%	3.1%
Newtown Civil Town	13,970	14,065	13,001	14,296	16,479	0.7%	-7.6%	10.0%	15.3%
Veedersburg Civil Town	331,486	252,834	256,108	259,376	272,378	-23.7%	1.3%	1.3%	5.0%
Wallace Civil Town	733	733	733	765	767	0.0%	0.0%	4.4%	0.3%
Attica Consolidated School Corp	3,395,955	1,890,882	1,962,764	2,032,488	2,097,443	-44.3%	3.8%	3.6%	3.2%
Covington Community School Corp	2,907,678	1,685,006	2,107,565	1,857,853	1,964,653	-42.0%	25.1%	-11.8%	5.7%
Southeast Fountain School Corp	4,691,204	2,188,269	2,397,238	2,090,309	2,818,840	-53.4%	9.5%	-12.8%	34.9%
Covington Public Library	176,274	184,000	187,749	193,310	202,717	4.4%	2.0%	3.0%	4.9%
Kingman-Millcreek Public Library	42,584	44,706	45,875	48,087	49,597	5.0%	2.6%	4.8%	3.1%
Attica Public Library	186,107	182,458	207,303	194,885	201,891	-2.0%	13.6%	-6.0%	3.6%
Fountain County Solid Waste Mgmt Dist	127,372	132,484	136,979	140,785	145,342	4.0%	3.4%	2.8%	3.2%
Veedersburg Redevelopment Commission	0	0	0	0	0				

Fountain County 2012 Tax Rates, Credit Rates, and Net Tax Rates for Homesteads by Taxing District

Dist #	Taxing District	Tax Rate	Credit Rates						Net Tax Rate, Homesteads
			LOIT PTRC	COIT Homestead	CEDIT Homestead	CEDIT Residential	LOIT Homestead	LOIT Residential	
23001	Cain Township	1.3178	--	--	5.8510%	--	--	--	1.2407
23002	Hillsboro Town	1.9240	--	--	0.9884%	--	--	--	1.9050
23003	Davis Township	1.6412	--	--	2.2468%	--	--	--	1.6043
23004	Fulton Township	1.5801	--	--	3.7432%	--	--	--	1.5210
23005	Jackson Township	1.3137	--	--	3.7598%	--	--	--	1.2643
23006	Wallace Town	1.3670	--	--	5.7002%	--	--	--	1.2891
23007	Logan Township	1.6416	--	--	9.7923%	--	--	--	1.4808
23008	Attica City	2.5004	--	--	33.8562%	--	--	--	1.6539
23011	Richland Township	1.3325	--	--	3.8761%	--	--	--	1.2809
23012	Mellott Town	1.6786	--	--	29.1904%	--	--	--	1.1886
23013	Newtown Town	1.6310	--	--	0.1017%	--	--	--	1.6293
23014	Shawnee Township	1.5262	--	--	2.5466%	--	--	--	1.4873
23015	Troy Township	1.6697	--	--	3.5852%	--	--	--	1.6098
23016	Covington City	2.6784	--	--	1.4460%	--	--	--	2.6397
23017	Van Buren Township	1.5173	--	--	3.4800%	--	--	--	1.4645
23018	Veedersburg Town	2.1729	--	--	19.7480%	--	--	--	1.7438
23019	Wabash Township	1.5685	--	--	7.2064%	--	--	--	1.4555
23020	Millcreek Township	1.3886	--	--	4.2959%	--	--	--	1.3289
23021	Kingman Town	1.9972	--	--	5.2199%	--	--	--	1.8929

Notes: A *Taxing District* is a geographic area of a county where taxing units overlap, so the sum of the taxing unit tax rates is the total district rate.

The *Tax Rate* is the gross levy divided by net assessed value, in dollars per \$100 assessed value.

The *LOIT*, *COIT*, and *CEDIT* credits are funded by local income taxes.

The *Net Tax Rate for Homesteads* is calculated by reducing the tax rate by the various credit percentages.

Fountain County 2012 Circuit Breaker Cap Credits

Taxing Unit Name	Circuit Breaker Credits by Property Type					Circuit Breaker as % of Levy	
	(1%) Homesteads	(2%) Other Residential and Farmland	(3%) All Other Real/Personal	Elderly	Total	Levy	
<i>Non-TIF Total</i>	35,214	263,612	0	12,268	311,094	12,981,869	2.4%
<i>TIF Total</i>	0	2	0	0	2	725,585	0.0%
<i>County Total</i>	35,214	263,614	0	12,268	311,097	13,707,454	2.3%
Fountain County	5,874	46,322	0	2,615	54,811	3,294,174	1.7%
Cain Township	0	0	0	2	2	13,811	0.0%
Davis Township	0	0	0	0	0	14,555	0.0%
Fulton Township	0	0	0	12	12	22,693	0.1%
Jackson Township	0	0	0	9	9	9,827	0.1%
Logan Township	0	1,434	0	24	1,458	40,086	3.6%
Millcreek Township	0	0	0	34	34	23,117	0.1%
Richland Township	0	0	0	2	2	28,593	0.0%
Shawnee Township	0	0	0	3	3	23,246	0.0%
Troy Township	223	704	0	33	960	48,484	2.0%
Van Buren Township	1	467	0	67	535	81,226	0.7%
Wabash Township	0	0	0	4	4	20,478	0.0%
Attica Civil City	0	46,115	0	677	46,792	850,116	5.5%
Covington Civil City	13,823	43,593	0	1,881	59,297	609,359	9.7%
Hillsboro Civil Town	0	0	0	109	109	57,496	0.2%
Kingman Civil Town	2	0	0	49	51	60,961	0.1%
Mellott Civil Town	0	0	0	20	20	13,540	0.1%
Newtown Civil Town	0	0	0	1	1	16,479	0.0%
Veedersburg Civil Town	15	7,083	0	700	7,798	272,378	2.9%
Wallace Civil Town	0	0	0	0	0	767	0.0%
Attica Consolidated School Corp	0	53,164	0	906	54,070	2,097,443	2.6%
Covington Community School Corp	13,701	43,208	0	2,168	59,077	1,964,653	3.0%
Southeast Fountain School Corp	27	7,951	0	2,377	10,355	2,818,840	0.4%
Covington Public Library	1,287	4,995	0	288	6,570	202,717	3.2%
Kingman-Millcreek Public Library	1	0	0	70	71	49,597	0.1%
Attica Public Library	0	6,532	0	103	6,635	201,891	3.3%
Veedersburg Redevelopment	0	0	0	0	0	0	
Fountain County Solid Waste Mgmt Dist	259	2,044	0	115	2,418	145,342	1.7%
Veedersburg Redevelopment Commission	0	0	0	0	0	0	
TIF - Veedersburg Redevelopment	0	2	0	0	2	725,585	0.0%

Notes: Circuit breaker tax cap credits are tax savings for taxpayers and revenue losses for local government units. Circuit breaker credits are highest in tax districts with the highest tax rates. These are usually districts that include cities or towns because the municipal tax rate is included in the district tax rate. This means that most circuit breaker credits are in cities and towns and in units that overlap cities and towns.

Circuit Breaker Credit Types:

Homesteads are owner-occupied primary residences and include homestead land and buildings in the 1% tax cap category. Owner-occupied mobile homes and agricultural homesteads are included in this category. This category only includes credits on the portion of the property that qualifies as a homestead.

Other Residential/Farmland includes small rental housing units, larger commercial apartments, second homes, long-term care facilities, and farmland, in the 2% tax cap category.

All Other Real/Personal is commercial, industrial, and utility land and buildings, and business equipment, including agricultural equipment, in the 3% tax cap category. This category also includes credits on the portion of homeowner properties that do not qualify as a homestead.

Elderly includes credits for the 2% annual limit on homestead tax bill increases for low-income homeowners, age 65 and over.

The *Total Levy by Unit* is gross property taxes levied, before all tax credits. For TIF districts, this amount represents the TIF proceeds before circuit breaker credits. This information is included to allow comparison to the circuit breaker revenue losses.

Numbers may not total due to rounding.